U.S. Department of Housing and Urban Development Washington, D.C. 20410



CHIEF PROCUREMENT OFFICER

Class Deviation from the Federal Acquisition Regulation (FAR) Part 1 Regarding Executive Order 14275 on Restoring Common Sense to Federal Procurement.

- 1. **Purpose.** The HUD Chief Procurement Officer (CPO) is issuing this class deviation to Federal Acquisition Regulation (FAR) Part 1 for purposes of implementing the Federal Acquisition Regulatory Council's (the Council's) model deviation text to FAR part 1.
- 2. **Background.** On April 15, 2025, the Executive Order (E.O.) 14275 on Restoring Common Sense to Federal Procurement was signed. Section 2 of the E.O. establishes the policy that the FAR "should only contain provisions required by statute or essential to sound procurement, and any FAR provisions that do not advance these objectives should be removed."

The FAR is being updated to:

- Remove language that is not required by statute
- Remove duplicative or outdated language
- Clarify or provide more plain language
- Revise language for the new FAR framework
- Retain language necessary for governmentwide acquisition standards.

This project is referred to as the Revolutionary FAR Overhaul (RFO) initiative.

In explaining the Federal Acquisition System, the RFO FAR part 1 model deviation text establishes bedrock principles. Most centrally, it sets a "mission first" message at the top of the guiding principles. The RFO FAR part 1 model deviation also increases the emphasis on the best use of taxpayer dollars, and calls out the value of time as another guiding principle. Additionally, it retains a focus on satisfying the customer, maximizing use of commercial products and services, promoting competition, and encouraging innovation.

Statutory requirements retained in the RFO FAR part 1 model deviation include, but are not limited to, the following:

- 31 U.S.C. 3702, Authority to Settle Claims
- 41 U.S.C. 13 et seq, Acquisition Councils
- 41 U.S.C. 17 et seq, Agency Responsibilities and Procedures
- 41 U.S.C. 1908, Inflation Adjustment of Acquisition Thresholds
- 41 U.S.C. 3102, Delegation and Assignment of Powers, Functions, and Responsibilities

Non-statutory requirements removed from FAR part 1 include, but are not limited to, the following:

- The list of OMB approved control numbers contained in subpart 1.1. These controls numbers are now listed on Acquisition.gov
- Subpart 1.2 Administration
- Subpart 1.5 Agency and Public Participation procedures.

Other key changes include:

- Class deviations require approval by the FAR Council except where required to implement agency-specific executive or statutory direction.
- 3. **Instructions.** The HUD acquisition workforce shall follow the RFO part 1 model deviation text instead of FAR part 1 as codified at 48 CFR Chapter 1. The Council's RFO part 1 model deviation text is available at Acquisition.gov/far-overhaul, and is incorporated into this class deviation.
- 4. **Applicability.** This class deviation applies to all HUD procurements.
- 5. **Authority.** This class deviation is issued under the authority of <u>E.O. 14275</u>, <u>OMB M-25-25</u>, and 48 CFR 1.4.
- 6. **Effective Date.** This deviation is effective immediately and shall remain in effect until rescinded or incorporated into the FAR.
- 7. **Point of Contact**. The point of contact is Ms. Nicole Jackson, Procurement Analyst, Procurement Policy and Systems Division, at 202-402-3868 or Nicole.H.Jackson@hud.gov.

